



# Financial Management Overview



## ***NONAPPROPRIATED NAF Instrumentality (FUNDS) Account Status***

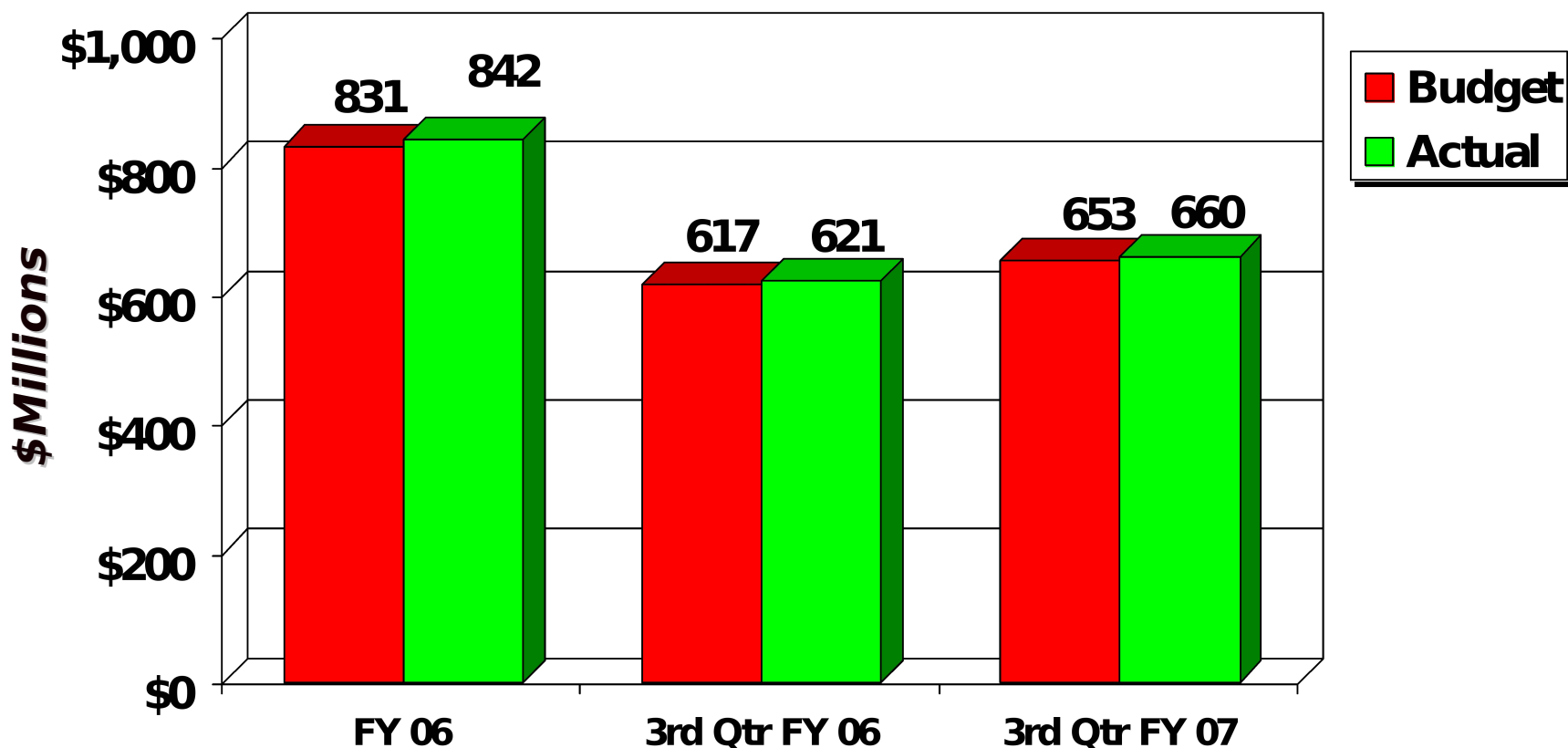


# Financial Management Overview



## ***Total MWR NAFIs Worldwide Net Revenue\****

***FY06 / 3rd Qtr FY06 Budget vs Actual  
3rd Qtr FY 07 Budget vs Actual***



\* Revenue adjusted for MWR UFM/USA Income

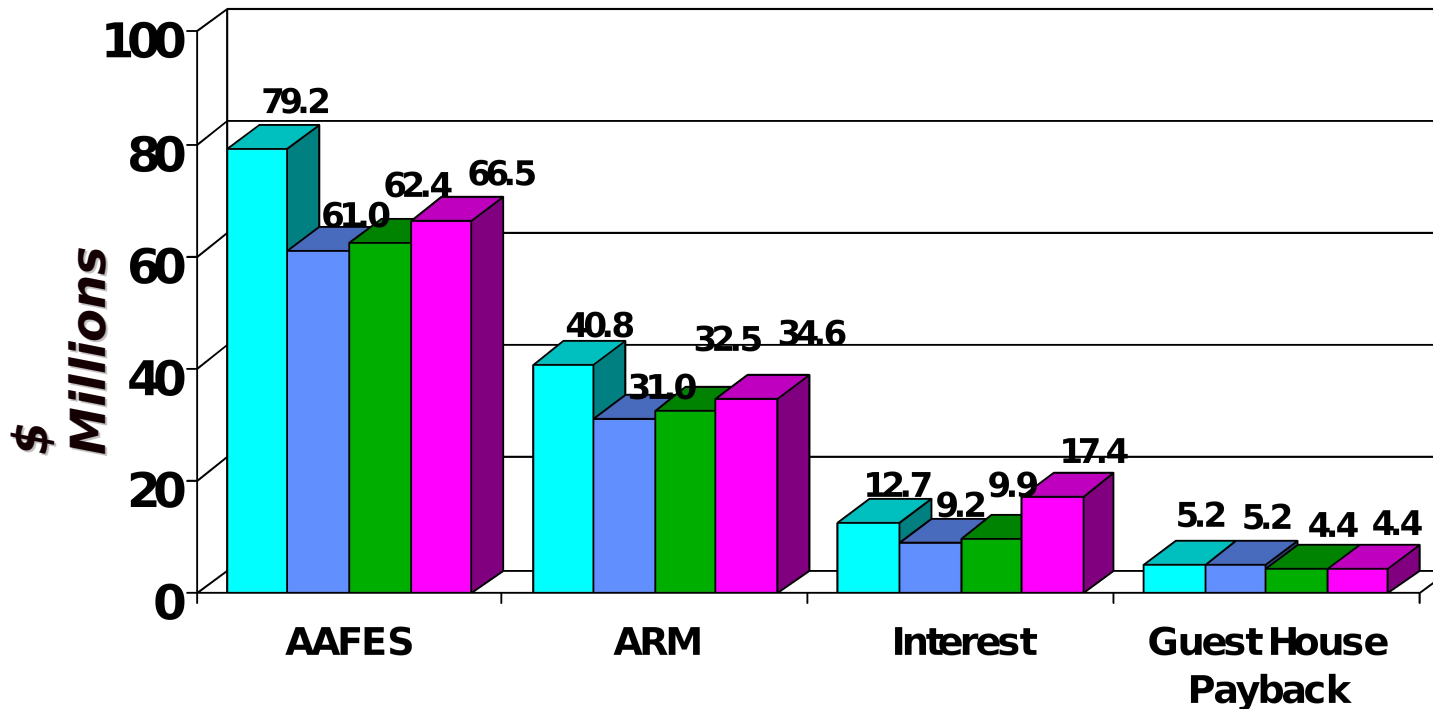


# Financial Management Overview



## **Total MWR NAFIs** **Non-Operating Revenue** *FY06 Actual / FY07 Budget vs Actual*

**FY06 Act** **3rd Qtr FY06 Act** **3rd Qtr FY07 Bud** **3rd Qtr FY07 Act**

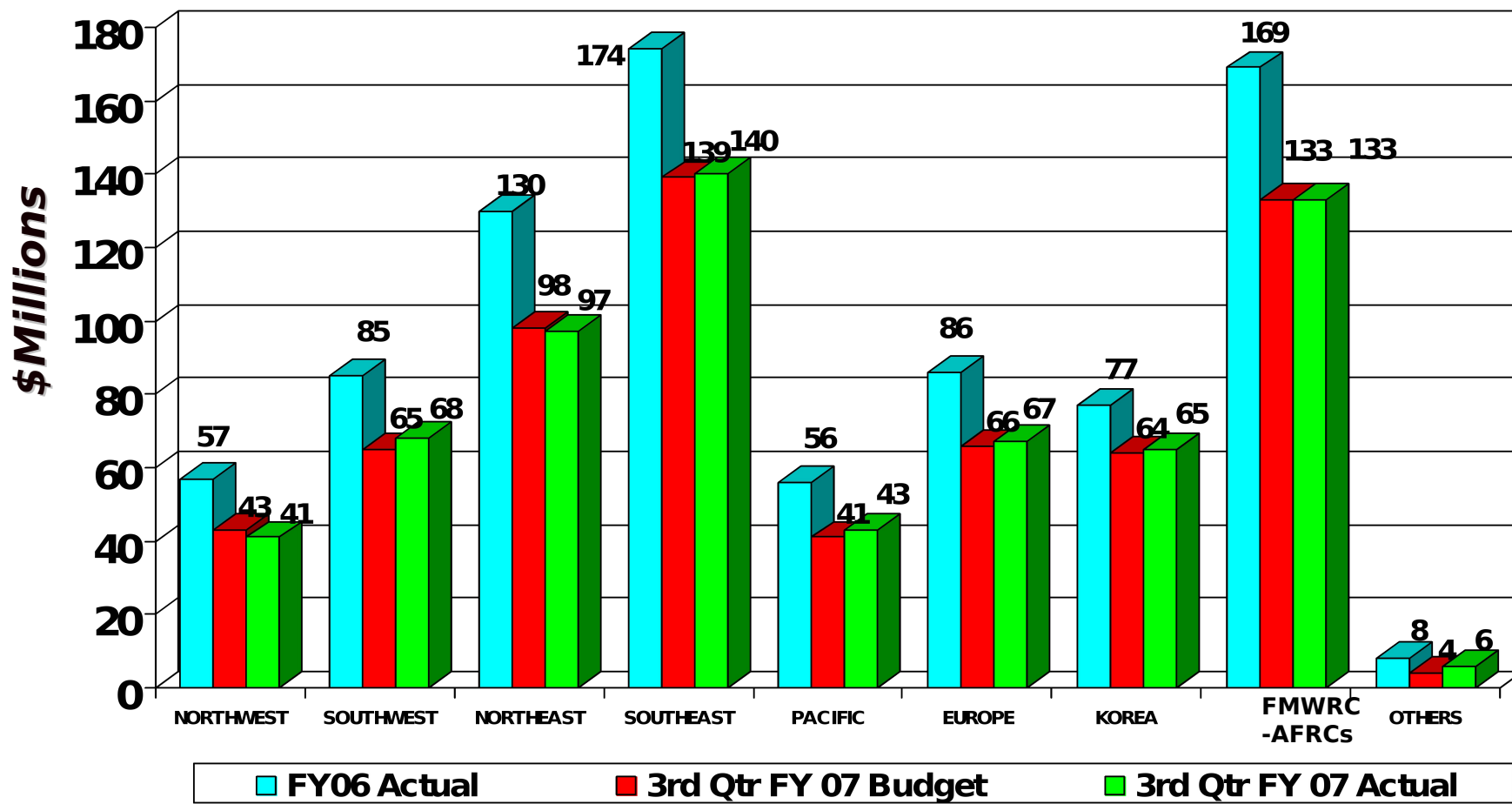




# Financial Management Overview

## Total MWR NAFIs Net Revenue\* - by Region

*FY06 Actual / 3rd Qtr FY07 Budget vs Actual*



\* Revenue adjusted for MWR UFM/USA Income





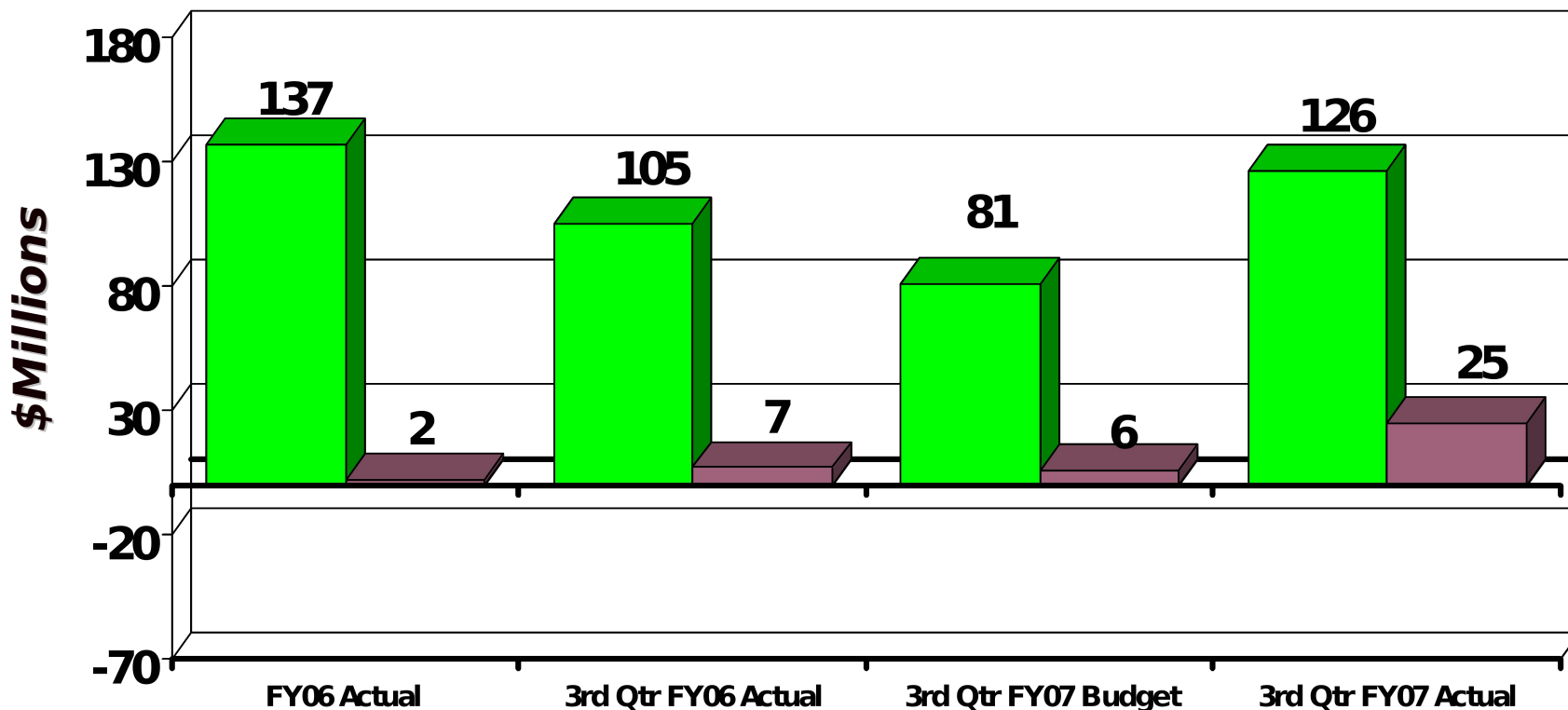
# Financial Management Overview



## **Total MWR NAFIs Worldwide NIBD/Net Income**

***FY06 / 3rd Qtr FY06 Budget vs Actual  
3rd Qtr FY 07 Budget vs Actual***

**Net Income Before Depreciation (NIBD)**  
**Net Income/(Loss)**

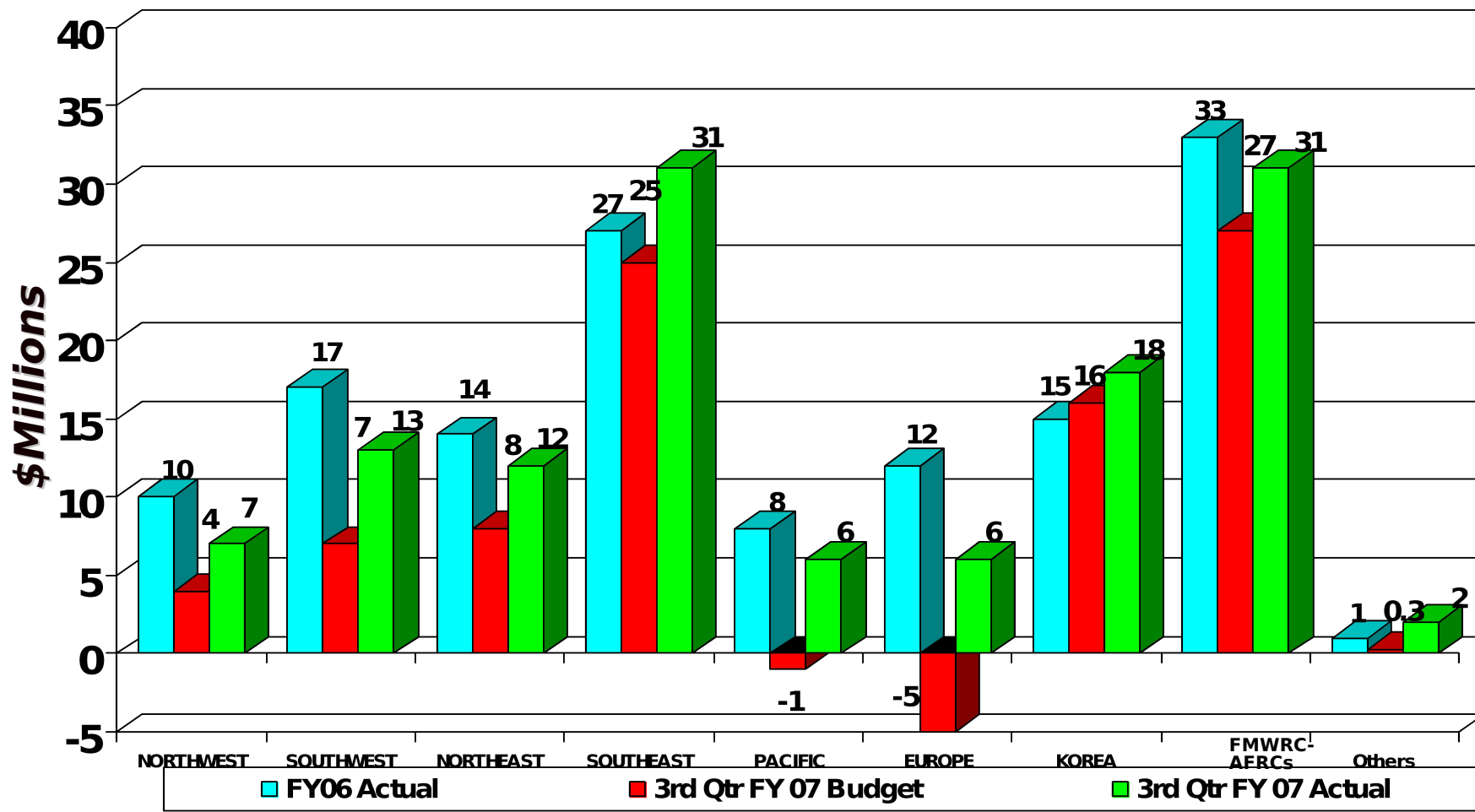




# Financial Management Overview

## Total MWR NAFIs NIBD by Region

*FY06 Actual / 3rd Qtr FY07 Budget vs Actual*





# Financial Management Overview



## ***NIBD %, By Region, Versus Army Standard***

	<b>*FY 06</b>	<b>3rd Qtr *FY 06</b>	<b>3rd Qtr *FY 07</b>
<b>NORTHWEST</b>	<b>16.9</b>	<b>13.3</b>	<b>17.1</b>
<b>SOUTHWEST</b>	<b>19.3</b>	<b>18.2</b>	<b>18.8</b>
<b>NORTHEAST</b>	<b>10.5</b>	<b>11.2</b>	<b>12.5</b>
<b>SOUTHEAST</b>	<b>15.6</b>	<b>19.8</b>	<b>22.4</b>
<b>DLA</b>	<b>11.9</b>	<b>10.7</b>	<b>11.5</b>
<b>Pent Ath Ctr</b>	<b>19.0</b>	<b>20.2</b>	<b>17.9</b>
<b>OTHERS**</b>	<b>23.5</b>	<b>-0.4</b>	<b>88.0</b>
<b>TOTAL REGIONs W/O ARM DIST</b>	<b>15.0</b>	<b>16.1</b>	<b>18.6</b>
<b>PACIFIC</b>	<b>15.2</b>	<b>11.5</b>	<b>14.4</b>
<b>EUROPE</b>	<b>14.5</b>	<b>13.7</b>	<b>9.4</b>
<b>KOREA</b>	<b>19.1</b>	<b>23.2</b>	<b>27.2</b>
<b>FMWRC-AFRCs</b>	<b>19.8</b>	<b>19.5</b>	<b>23.7</b>
<b>TOTAL REGIONs W/ ARM DIST</b>	<b>17.8</b>	<b>17.9</b>	<b>20.0</b>
<b>ARMY TOTAL</b>	<b>16.3</b>	<b>16.9</b>	<b>19.1</b>
<b>STANDARD NIBD %</b>	<b>8.0</b>	<b>8.0</b>	<b>8.0</b>

\* Percentage Based on MWR UFM/USA - Net Revenue

\*\* Includes MACOM HQ and Single MWR Funds.



# Financial Management Overview



## NIAD %, By Region

		*3rd Qtr	*3rd Qtr
	*FY 06	FY 06	FY 07
<b>NORTHWEST</b>	<b>0.3</b>	<b>-1.1</b>	<b>0.3</b>
<b>SOUTHWEST</b>	<b>5.7</b>	<b>4.5</b>	<b>6.4</b>
<b>NORTHEAST</b>	<b>-5.6</b>	<b>-2.7</b>	<b>-1.5</b>
<b>SOUTHEAST</b>	<b>5.5</b>	<b>14.4</b>	<b>20.7</b>
<b>DLA</b>	<b>1.3</b>	<b>-0.4</b>	<b>-14.0</b>
<b>Pent Ath Ctr</b>	<b>4.5</b>	<b>5.4</b>	<b>4.0</b>
<b>TOT REGIONs W/O ARM DIST</b>	<b>0.7</b>	<b>3.2</b>	<b>6.9</b>
<b>PACIFIC</b>	<b>-1.4</b>	<b>-5.9</b>	<b>-2.2</b>
<b>EUROPE</b>	<b>-4.0</b>	<b>-4.3</b>	<b>-12.1</b>
<b>KOREA</b>	<b>-0.9</b>	<b>3.9</b>	<b>9.8</b>
<b>FMWRC-AFRCs</b>	<b>4.9</b>	<b>5.6</b>	<b>10.6</b>
<b>TOT REGIONs W/ ARM DIST</b>	<b>0.9</b>	<b>1.4</b>	<b>3.7</b>
<b>ARMY TOTAL AS REVISED</b>	<b>0.8</b>	<b>1.8</b>	<b>4.1</b>

\* Percentage Based on MWR UFM/USA - Net Revenue



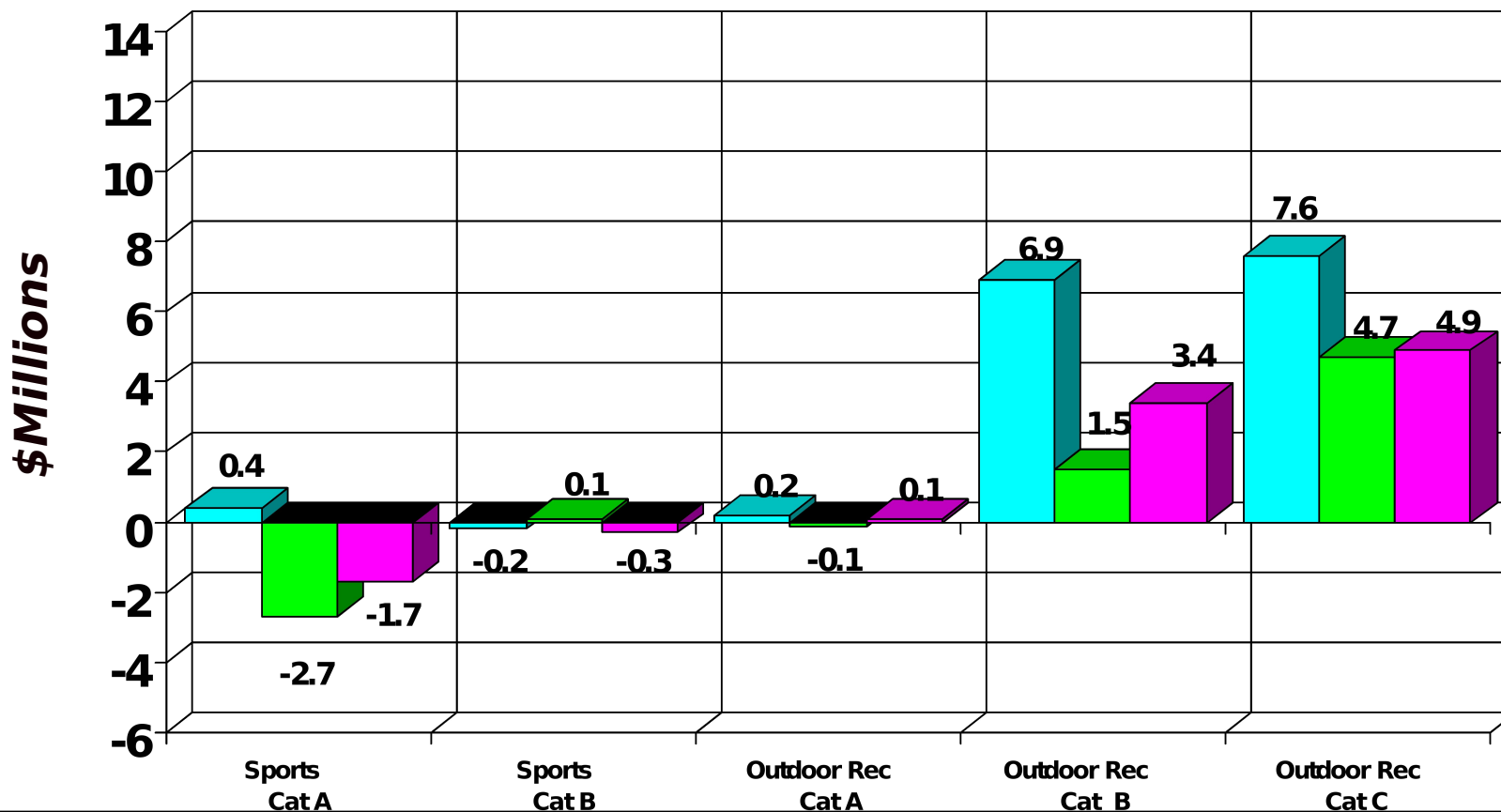
# Financial Management Overview

## ~~Total MWR NAFIs~~

### NIBD by Major Program (Chart 1)

*EY06 Actual / 3rd Qtr EY07 Budget vs Actual*

**FY 06 Actual** **3rd Qtr FY 07 Budget** **3rd Qtr FY 07 Actual**





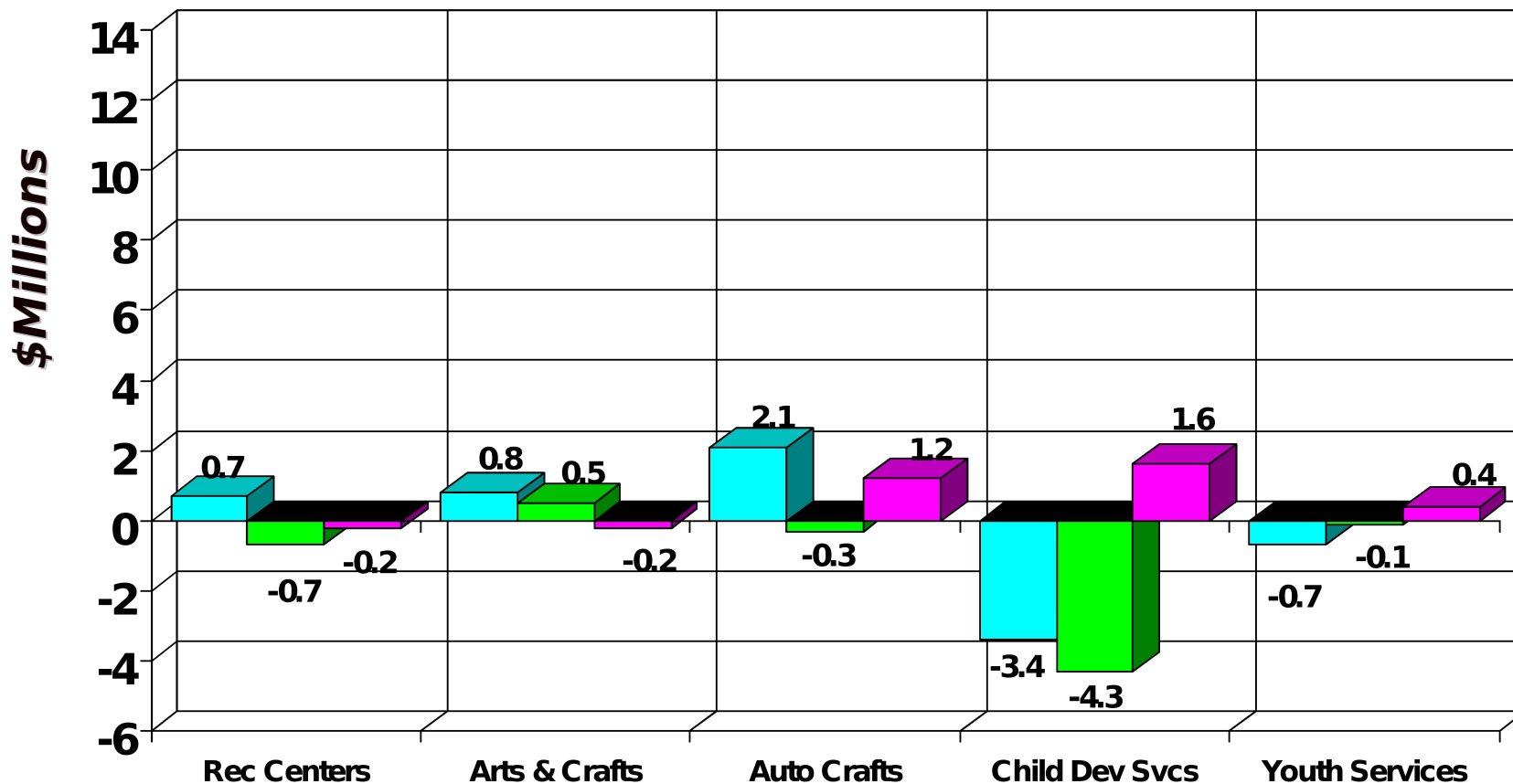
# Financial Management Overview

## *Total MWR NAFIs*

### *NIBD by Major Program (Chart 2)*

FY06 Actual FY07 Budget FY07 Actual

■ FY 06 Actual ■ 3rd Qtr FY 07 Budget ■ 3rd Qtr FY 07 Actual



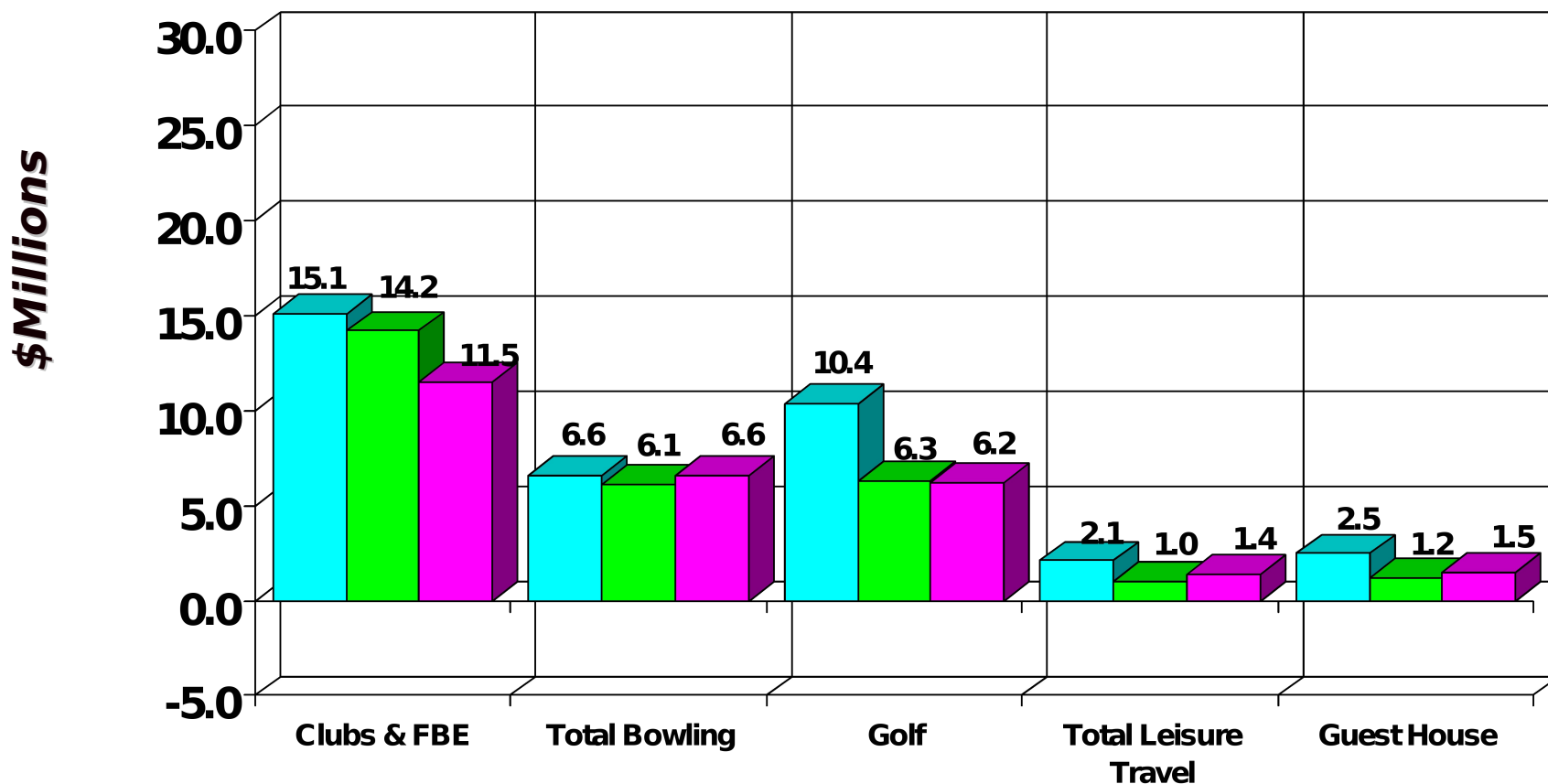


# Financial Management Overview

## *Total MWR NAFIs*

### *NIBD by Major Program (Chart 3)*

FY 06 Actual   3rd Qtr FY 07 Budget   3rd Qtr FY 07 Actual





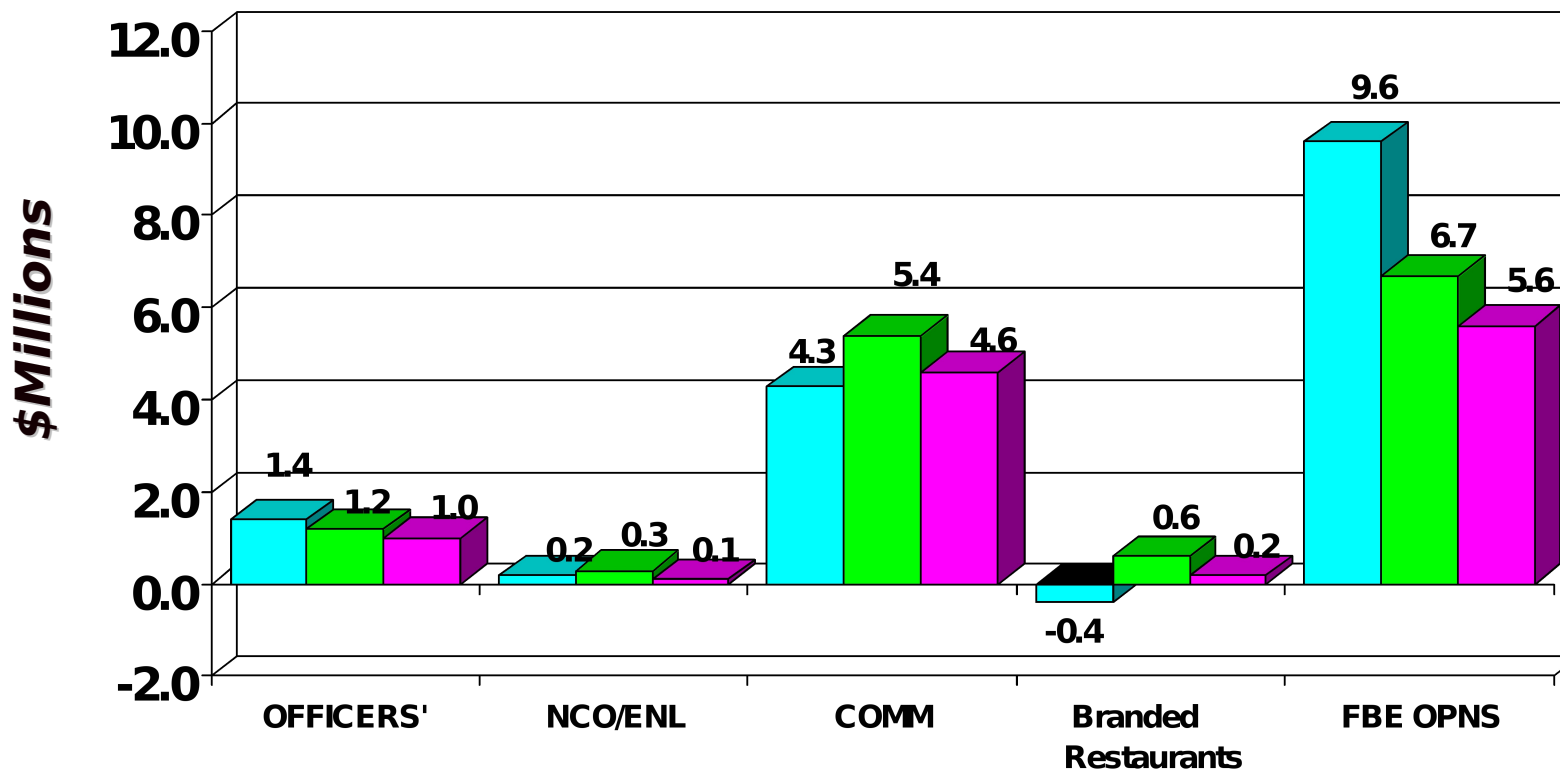
# Financial Management Overview

## ***Total MWR NAFIs***

### ***NIBD for Clubs, Branded Restaurants and FBE***

***FY06 Actual / 3rd Qtr FY07 Budget vs Actual***

**FY 06 Actual    3rd Qtr FY 07 Budget    3rd Qtr FY 07 Actual**



**Note: Clubs, Branded Restaurants and FBE reported separately.**

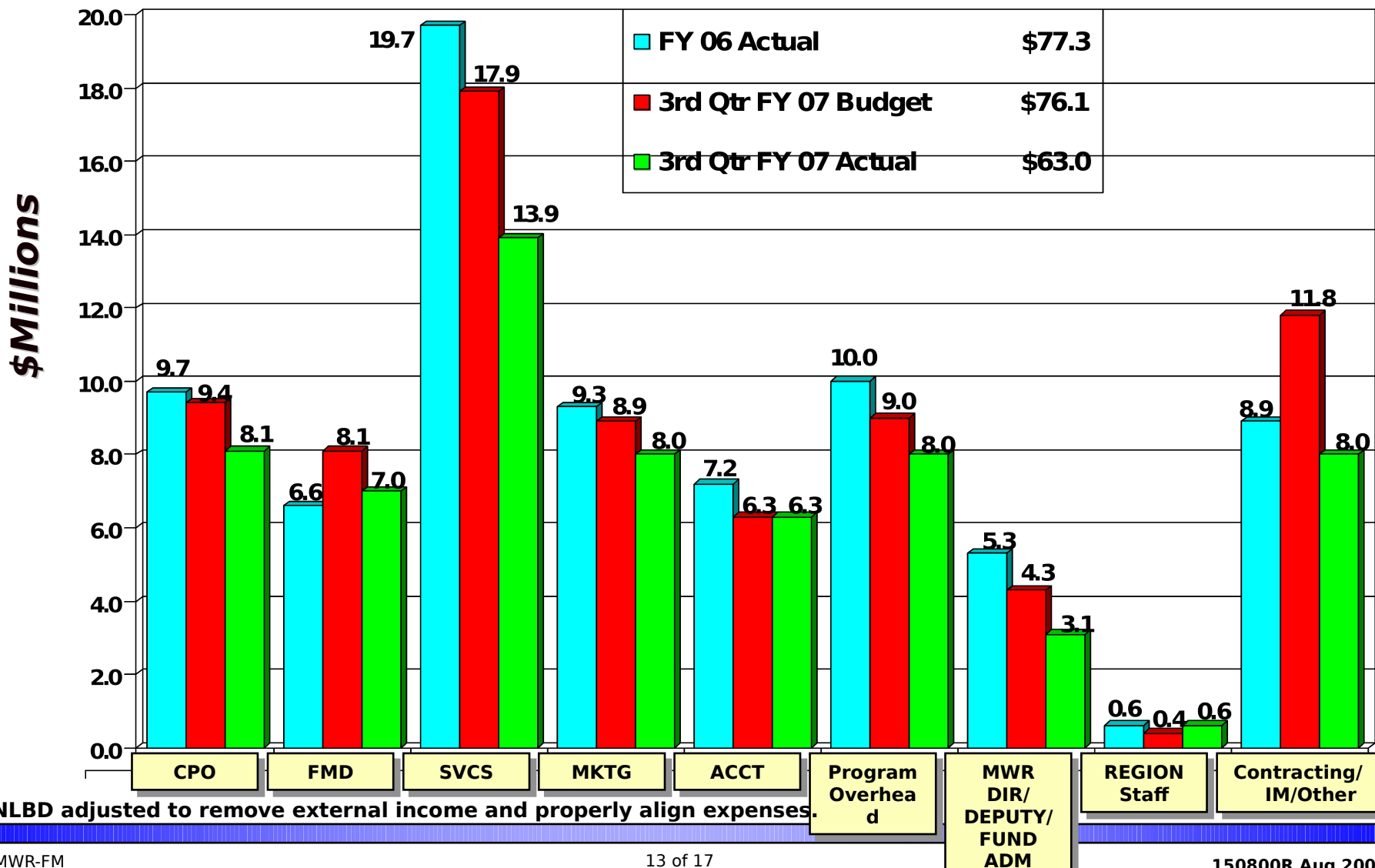




# Financial Management Overview

## Overhead Costs

**FY06 Actual\* / 3rd Qtr FY07 Budget vs Actual\***





# Financial Management Overview

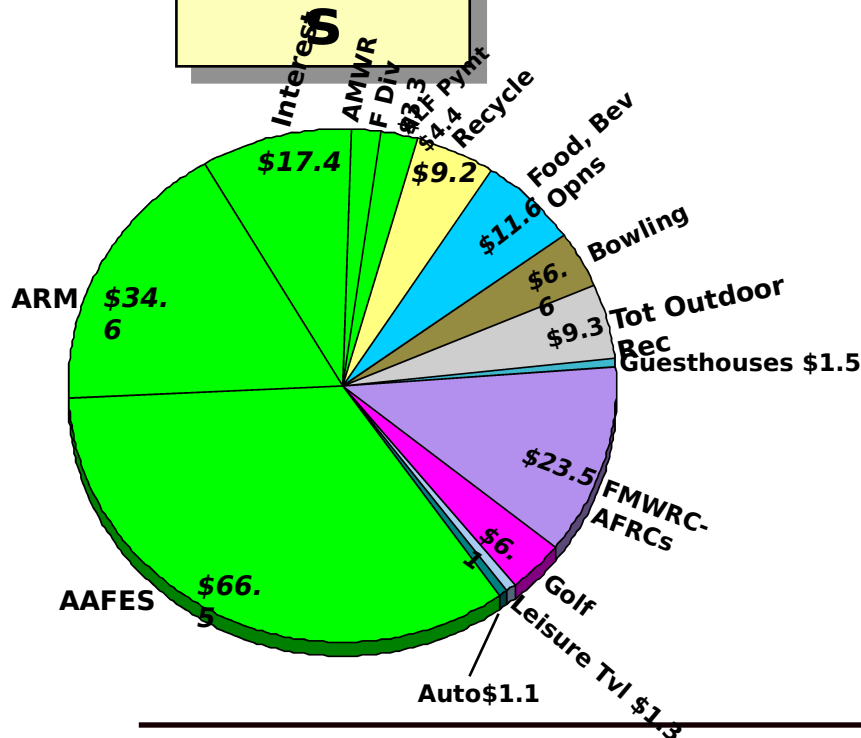
## Garrison/Region MWR Operating Results

Net Income Before Depreciation

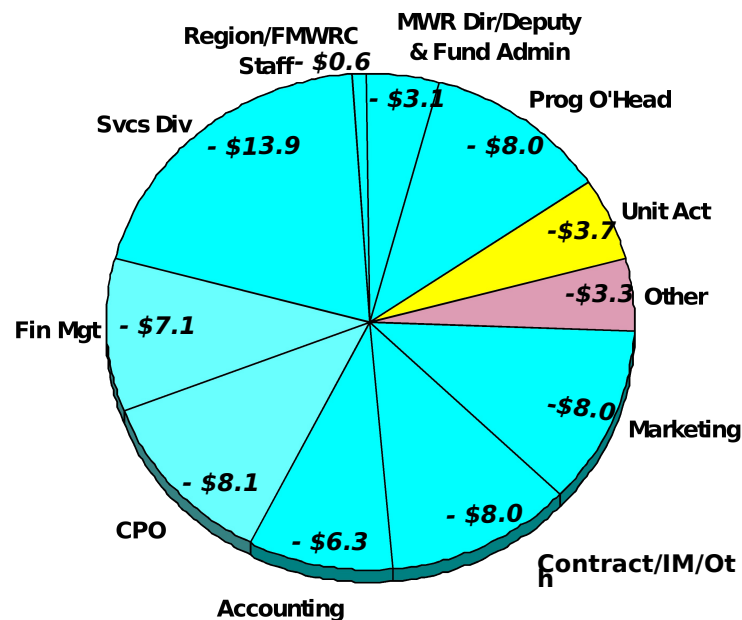
3rd Qtr FY 07

### Source

### Uses



FY 06



3rd Qtr FY 07

<b>\$226.5M</b>	<b>Income Sources</b>	<b>\$196.4M</b>
<b>- 89.3M</b>	<b>Using Activities</b>	<b>-70.1M</b>
<b>\$ 137.2M</b>	<b>Cash Generated From Operations</b>	<b>\$126.3M</b>

Notes: Data presented was adjusted to remove external income from operating programs and to align overhead expenses.



# Financial Management Overview



## MWR Program Functional NAF Operating Results

				3rd Qtr
<b>\$ MILLIONS</b>	<b>FY 04</b>	<b>FY 05</b>	<b>FY 06</b>	<b>FY 07</b>
<b>Income Generators</b>				
Category C Programs	\$53.1	\$59.4	\$74.4	\$67.1
External Revenue	<u>\$124.7</u>	<u>\$139.3</u>	<u>\$142.7</u>	<u>\$126.3</u>
SUBTOTAL	\$177.8	\$198.7	\$217.1	\$193.4
<b>Income Users</b>				
Category A Programs w/Div	-\$4.7	-\$5.3	-\$5.5	-\$6.0
Category B Programs	\$10.1	-\$1.3	\$2.9	\$1.9
Overhead Expense	-\$80.1	-\$82.9	-\$77.3	-\$63.0
Capital Reinvestment Asmt	<u>-\$3.7</u>	<u>-\$4.7</u>	<u>\$0.0</u>	<u>\$0.0</u>
SUBTOTAL	-\$78.4	-\$94.2	-\$79.9	-\$67.1
<b>NIBD *</b>	\$99.4	\$104.5	\$137.2	\$126.3
<b>% of NET REVENUE</b>	13.0%	12.7%	16.3%	19.1%

\*NIBD includes interprogram adjustments

Notes: FY04 - 07 Percentage based on UFM/USA for MWR - Adjusted Revenue.



# Financial Management Overview



## Total MWRNAFIs

**YTD Jun FY07 NIBD and Local CPMC/NAFMC Execution (\$000)**










REGION	NIBD BUDGET	NIBD ACTUAL	CAPITAL EXPENDITURE EXECUTION *	CAPITAL EXPENDITURE BUDGET *
NORTHWEST	\$3,752	\$7,078	\$4,045	\$7,237
SOUTHWEST	\$7,007	\$12,738	\$8,433	\$7,075
NORTHEAST	\$8,438	\$12,126	\$5,234	\$8,463
SOUTHEAST	\$25,351	\$31,448	\$11,512	\$24,678
PACIFIC	(\$908)	\$6,145	\$2,190	\$3,618
EUROPE	(\$5,470)	\$6,301	\$4,443	\$5,006
KOREA	\$15,872	\$17,628	\$29,871	\$34,256
FMWRC-AFRCs	\$26,702	\$31,426	\$3,107	\$5,160
DLA	\$257	\$400	\$242	\$505
Pent Ath Ctr	(\$2)	\$287	\$24	\$191
<b>SUBTOTAL</b>	<b>\$80,999</b>	<b>\$125,576</b>	<b>\$69,101</b>	<b>\$96,189</b>
<b>OTHERS **</b>	<b>\$0</b>	<b>\$757</b>	<b>\$0</b>	<b>\$0</b>
<b>TOTAL</b>	<b>\$80,999</b>	<b>\$126,334</b>	<b>\$69,101</b>	<b>\$96,189</b>

\* Capital Expenditures include local payments for CPMC, Minor Construction and Self-Funded NAF Major Construction

\*\* Includes IMA HQ, USARSO and MTMC Funds



# Financial Management Overview

Total Army TOTAL MWR Thru: 3rd QTR YTD FY 2007			MWR Standards Assessment (\$Millions)			Assessment			NIBD \$    NIBD% Example    Budget Variance	
						Key:    ≥ &    <			≥ \$0    8%    ≤ 10% N/A    4% & 8%    > 10% ≤ 15% \$0    4%    > 15%	
MWR Function		Standard	Budgeted NIAD \$/%	Actual NIAD \$/%    Budget Var		Assessment		Remarks		
Field NAFI's Roll-up		Monitor NIAD	\$6.428 1.0%	\$27.218 4.12%	323.4%	N/A		Net Income After Depreciation (NIAD) and before BRAC and Extraordinary items		
		NIBD \$/%    Budget Var	NIBD \$/%	NIBD \$/%    Budget Var						
Field NAFI's Roll-up (MWR USA Revenue removed from Tot Rev for calculation of NIBD %)		≥    8/4%    ± 10/15%	\$80.999 12.4%	\$126.334 19.14%	56.0%	G		R		
CAT A NAF (Excludes Unit Activities)		≥    \$0    ± 10/15%	(\$5.060)	(\$2.309)	54.4%	R		R		
CAT B NAF (Excludes CDS Assessed Below)		≥    \$0    ± 10/15%	(\$3.761)	\$1.444	Deficit to Profit	G		R		
Child Development Services (CDS)		≥    \$0    ± 10/15%	(\$4.254)	\$1.620	Deficit to Profit	G		R		
Clubs, Theme, and FBE		≥    8/4%    ± 10/15%	\$14.150 12.2%	\$11.537 10.21%	-18.5%	G		R		
Golf		≥    21/10.5%    ± 10/15%	\$6.282 12.2%	\$6.153 12.29%	-2.1%	A		G		
Bowling > 12 Lanes		≥    16/8%    ± 10/15%	\$5.508 18.1%	\$6.103 19.24%	10.8%	G		A		
				Execution/End of Period						
APF Execution (Cumulative)		3 <sup>RD</sup> OTR ≥ 65/60% FY ≥ 90/80%			83.1%	G				
CPMC + Local NAFMC Execution		NTE NIBD +/- Transfer Limitation and Solvency ≥/≠ 1:1	Actual vs Budget ≥ 70/50%		71.8%	G		G	Budget \$    96.189 M NIBD Limit \$    126.334 M Executed \$    69.101 M	
Solvency (Cash/Debt)		≥ 1:1 & ≤ 2:1			1.72 :1	G	